Point Lisas Industrial Port Development Corporation Limited

Unaudited Condensed Consolidated Interim Financial Information

As at 30 June 2018 (Expressed in Trinidad and Tobago Dollars)

PLIPDECO

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ISO 9001

Chairman's Report

I am pleased to report on the Corporation's financial performance for the first half of the year ended 30th June, 2018.

The Corporation's Group Profit before Tax, inclusive of Fair Value Gains, was $62.7M ($29.8M, 2017). Excluding the impact of Fair Value Gains on the tenanted Estate premises, the Corporation made a profit of $5.9M in 2018 as compared to a loss of ($2.6M) in 2017.

Earnings per Share (EPS) stood at $1.52 (72 cents, 2017) while Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA) and excluding Fair Value Gains were $24.1M (2017: $18.6M).

Group Revenue increased by $7.3M (5%) due to increases in throughput of containerised cargo of 1,640 TEUs (2%) and 97,413 tonnes (78%) in general cargo volumes. Further analysis evidenced a 1% increase in exports and a 14% increase in transhipment of containerised cargo which was tempered by a 0.7% decrease in the import of containerised cargo. General cargo experienced a 74% increase in exports and a 78% increase in imports. Approximately thirty-seven (37) leases were subject to Rent Reviews during the first quarter accounting for the considerable Fair Value Gains on the Estate as well as the 10% increase in revenue.

The Group's total Assets increased by $58M to $2.88B as at 30th June, 2018, ($2.82B, 2017). Current ratio stood at 2.79:1 as compared to 3.21:1 in 2017.

During the second quarter of 2018 PLIPDECO was the first to commence the use of mobile container scanners, with the deployment of two units to assist Customs in making the container examination process more efficient and effective from a revenue and security perspective. Now in the pilot phase, full implementation will see a significant benefit to importers and exporters as the processing time for examination will be significantly reduced as the Container Examination Station will no longer be the primary examination point. This will be a significant boost for not only trade but for national security as well.

In the latter half of the year Cost management measures and revenue diversification will continue to be aggressively explored and implemented with the expectation that the benefits of these efforts will be seen in the short to medium term.

In closing, I would like to give the assurance of the continued commitment of the Board, Management and Staff of PLIPDECO in ensuring the Corporation's future growth and development as we continue to make PLIPDECO, the preferred choice for both port and industrial estate activities.

Ian R. H. Atherly
Chairman

Condensed Consolidated Interim Statement of Financial Position

(Expressed in Trinidad and Tobago Dollars)

	Unaudited 30 June 2018 $'000	Unaudited 30 June 2017 $'000	Audited 31 December 2017 $'000
Assets			
Non-current assets			
Property, plant and equipment	760,947	758,466	760,811
Investment properties	1,925,617	1,864,335	1,869,233
Trade receivables	2,881	--	2,645
Deferred income tax assets	16,481	16,634	16,143
Financial assets at fair value through other comprehensive income	1,459	1,222	1,317
	2,707,385	2,640,657	2,650,149
Current assets	170,641	179,006	171,792
Total assets	2,878,026	2,819,663	2,821,941
Equity and liabilities			
Equity attributable to owners of the parent			
Stated capital	139,968	139,968	139,968
Unallocated ESOP shares	(32)	(32)	(32)
Investment revaluation reserve	521	285	--
Revaluation reserves	247,697	250,458	249,960
Retained earnings	2,076,418	2,002,083	2,015,332
	2,464,572	2,392,762	2,405,228
Non-current liabilities			
Long and medium-term liabilities	143,268	155,990	150,059
Retirement benefit obligation	28,126	31,513	28,360
Casual employee retirement benefit obligation	26,810	23,934	25,445
Deferred income tax liabilities	95,623	100,102	97,628
Deferred lease rental income	58,598	59,664	59,131
	352,425	371,203	360,623
Current liabilities	61,029	55,698	56,090
Total liabilities	413,454	426,901	416,713
Total equity and liabilities	2,878,026	2,819,663	2,821,941

Mr. Ian R. H. Atherly   Mr. Prakash Ramnarine

Condensed Consolidated Interim Statement of Changes in Equity

(Expressed in Trinidad and Tobago Dollars)

	Stated capital $'000	Revaluation reserves $'000	Investment revaluation reserves $'000	Unallocated ESOP shares $'000	Retained earnings $'000	Shareholders' equity $'000
Six months ended 30 June 2018						
Balance as at 1 January 2018	139,968	249,581	379	(32)	2,015,332	2,405,228
Transfer of revaluation reserve to retained earnings, net of tax	--	(1,884)	--	--	1,884	--
Comprehensive income						
- Profit for the period	--	--	--	--	60,391	60,391
Other comprehensive income						
- Change in the fair value of equity investments at fair value through other comprehensive income	--	--	142	--	--	142
- Transactions with owners –Dividends	--	--	--	--	(1,189)	(1,189)
Balance as at 30 June 2018	139,968	247,697	521	(32)	2,076,418	2,464,572
Six months ended 30 June 2017						
Balance as at 1 January 2017	139,968	251,947	354	(32)	1,974,423	2,366,660
Transfer of revaluation reserve to retained earnings, net of tax	--	(1,489)	--	--	1,489	--
Comprehensive income						
- Profit for the period	--	--	--	--	28,549	28,549
Other comprehensive income						
- Change in the fair value of equity investments at fair value through other comprehensive income	--	--	(69)	--	--	(69)
- Transactions with owners –Dividends	--	--	--	--	(2,378)	(2,378)
Balance as at 30 June 2017	139,968	250,458	285	(32)	2,002,083	2,392,762

Condensed Consolidated Interim Statement of Comprehensive Income

(Expressed in Trinidad and Tobago Dollars)

	Three months ended 30 June 2018 $'000	Three months ended 30 June 2017 $'000	Six months ended 30 June 2018 $'000	Six months ended 30 June 2017 $'000
Revenue	68,185	61,983	132,802	125,464
Cost of providing services	(22,427)	(21,190)	(43,780)	(41,284)
Gross profit	45,758	40,793	89,022	84,180
Unrealised fair value gain on investment properties	11,906	11,205	56,770	32,410
Administrative expenses	(23,283)	(23,862)	(45,652)	(47,590)
Other operating expenses	(18,526)	(19,422)	(36,690)	(38,539)
Other income	128	242	344	385
Operating profit	15,983	8,956	63,794	30,846
Investment income	266	330	553	610
Finance costs	(881)	(905)	(1,678)	(1,643)
Profit before taxation	15,368	8,381	62,669	29,813
Income tax expense	(1,890)	(986)	(2,278)	(1,264)
Profit for the period	13,478	7,395	60,391	28,549
Other comprehensive income				
Items that may be subsequently reclassified to profit or loss				
Change in the fair value of equity investments at fair value through other comprehensive income	117	7	142	(69)
Total comprehensive income for the period	13,595	7,402	60,533	28,480
Earnings per share				
Basic earnings per share	34¢	19¢	152¢	72¢

Condensed Consolidated Interim Statement of Cash Flows

(Expressed in Trinidad and Tobago Dollars)

	Six months ended 30 June 2018 $'000	Six months ended 30 June 2017 $'000
Cash flows from operating activities		
Profit before taxation	62,669	29,813
Depreciation	16,591	19,597
Unrealised fair value gains on investment properties	(56,770)	(32,410)
Decrease in deferred lease rental income	(1,354)	(1,662)
Net interest expense	1,125	1,033
Increase in inventory	(124)	(1,216)
(Increase)/decrease in receivables and prepayments	(13,369)	176
Increase in payables and accruals	(1,138)	(6,202)
Foreign exchange gain on long and medium-term liabilities	(97)	186
Net movement in retirement benefit obligation	(234)	(168)
Net movement in casual employee retirement benefit obligation	1,365	1,434
Interest paid	(1,625)	(1,582)
Income tax paid	(3,468)	(2,727)
Net cash generated from operating activities	3,571	6,272
Cash flows from investing activities		
Additions to property, plant and equipment	(16,727)	(16,396)
Interest received	553	610
Net cash used in investing activities	(16,174)	(15,786)
Cash flows from financing activities		
Dividend paid	(1,189)	(2,378)
Repayment of long and medium-term liabilities	(6,713)	(6,665)
Net cash used in financing activities	(7,902)	(9,043)
Net decrease in cash and cash equivalents	(20,505)	(18,557)
Cash and cash equivalents, beginning of period	121,057	144,745
Effects of exchange rate changes on cash and cash equivalents	(53)	(61)
Cash and cash equivalents, end of period	100,499	126,127
Cash and cash equivalents		
Cash at bank and on hand	9,331	12,534
Bank overdraft	(6,150)	(137)
Short-term deposits	97,318	113,730
	100,499	126,127

You can find the complete set of financial information on our website at **www.plipdeco.com**